Home Energy Score

Educational Module Insert for First Time Homebuyers

When Buying a Home, Ask for a Home Energy Score

A miles-per-gallon rating for homes*

- ✓ Gives potential homebuyers **information** about a home's energy features and estimates home energy costs
- ✓ Provides new homeowners **guidance** on energy improvements that can make the home more comfortable and less expensive

At time of sale, the Home Energy Score is –

FAST. Takes less than one hour in most homes.

AFFORDABLE. Free for Assessors to keep costs low.

SIMPLE. Easy to understand 1 to 10 scale.

CREDIBLE. Created through robust testing and analysis.

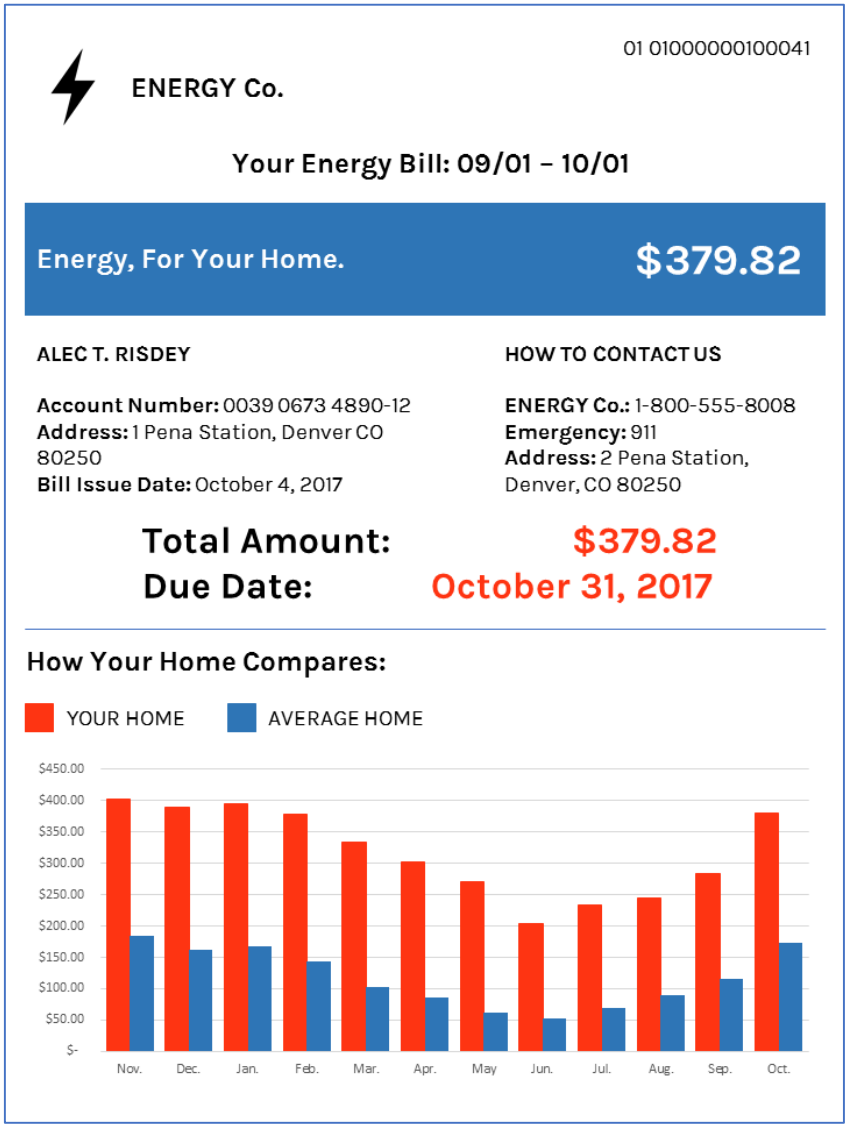
FLEXIBLE. Available through various programs and software.

*Applicable for single-family homes and townhomes only.

Why Should You Care About Energy Efficiency?

Helps Reduce Costs:

- ✓ On average, energy costs are higher than either property tax or insurance for U.S. homes at **$1,850 per year** (U.S. Census)
- ✓ Efficiency investments can help stabilize your bills in the hottest and coolest months, and lower your energy bills overall



Why Should You Care About Energy Efficiency?

Smart Investment:

- ✓ Attic insulation achieves highest return on investment of all home improvement projects studied at **116.9%** (Remodeling Report)
  - ✓ Attic Insulation averaged the cheapest upgrade at **$1,268** (Remodeling Report)

Why Should You Care About Energy Efficiency?

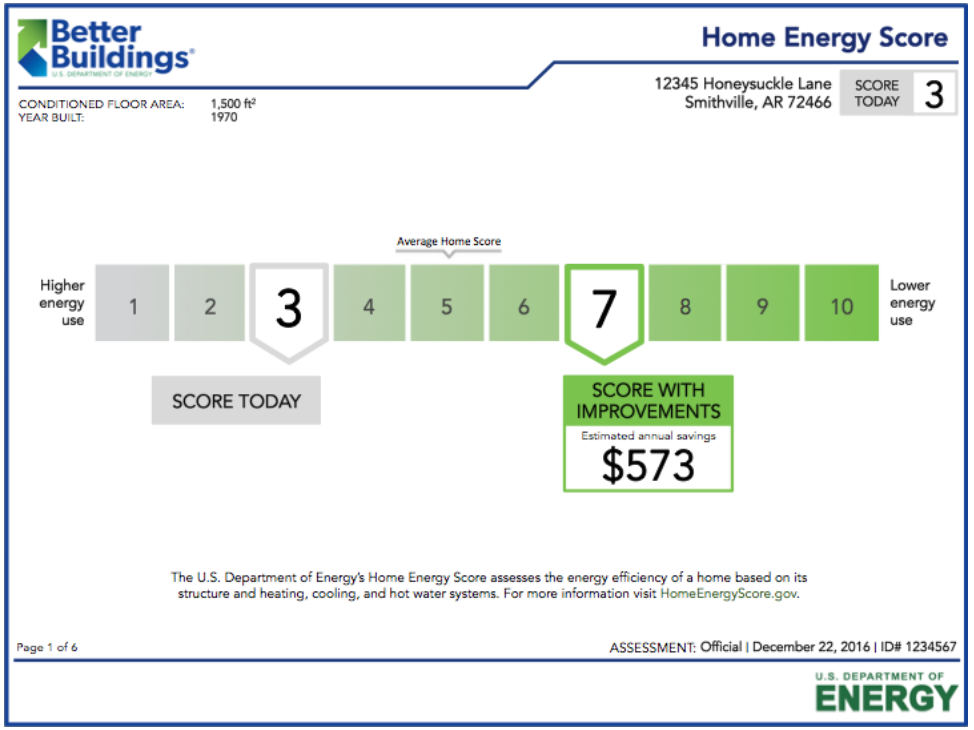
Improves Quality of Life:

- ✓ Energy improvements are good investments that bring financial relief and "joy"
  - ✓ After an insulation upgrade, **61%** say greater desire to be home, **95%** same or increased sense of enjoyment, and **66%** major sense of accomplishment (NARI Report)
- ✓ Energy efficient homes can improve occupant health outcomes related to asthma, hypertension, and allergies (Home Rx Report)

Understanding the Report

Important information in an easy-to-understand way

- ✓ **Score Today:** where your home currently falls on the 1-to-10 scale
- ✓ **Score with Improvements:** where your home will be on the scale if the report's recommendations are made.
- ✓ **Five page report:** includes home facts and cost-effective recommendations for energy efficient improvements



What does a Score mean?

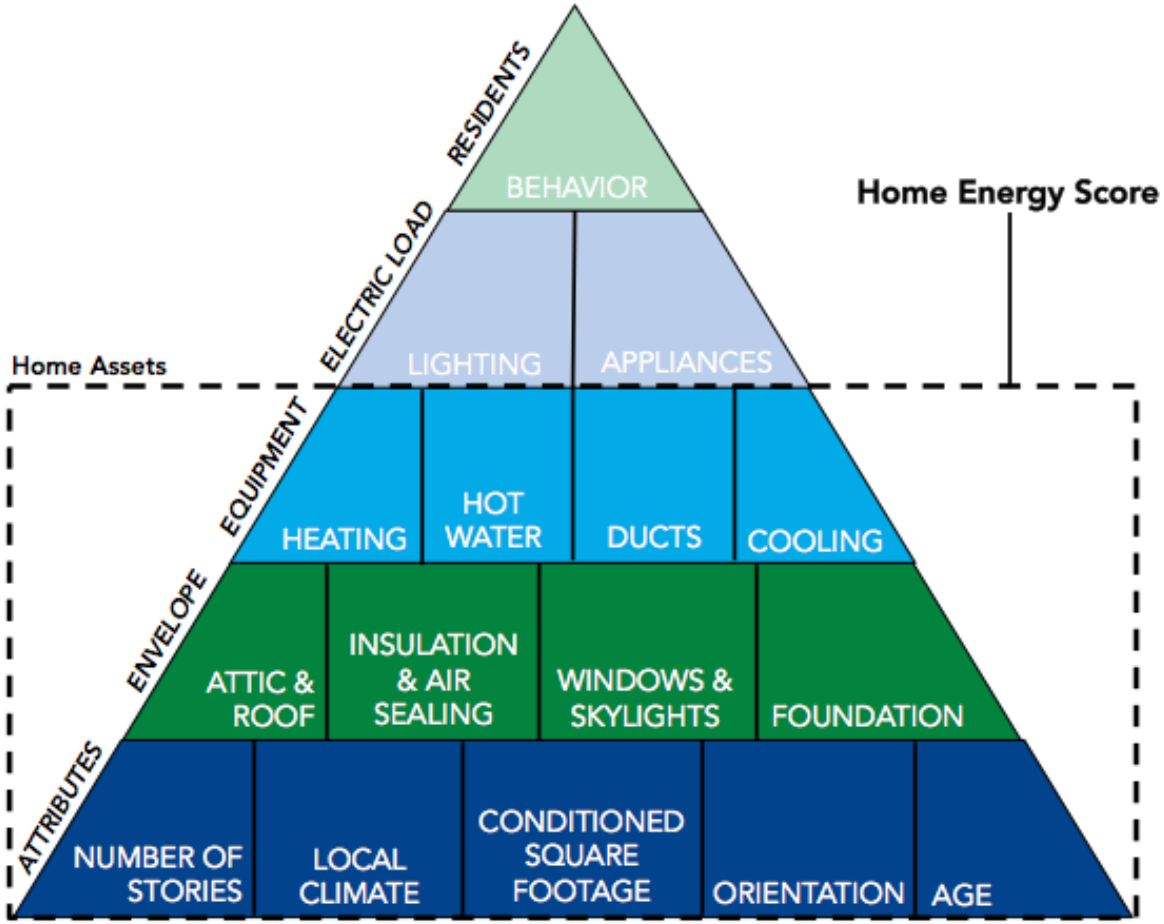
The less energy a home is expected to use, the higher the Score

- ✓ **Score of 1:** home is expected to use **more energy than 85%** of U.S. homes
- ✓ **Score of 5:** home uses an **average** amount of energy compared to U.S. homes
- ✓ **Score of 10:** means the house is expected to use **less energy than 90%** of U.S. homes

How Home Energy Score is Calculated

The Score is based on a home's energy-related assets

- ✓ Excludes resident-dependent behaviors and electronics from analysis
- ✓ "Apples to apples" comparison between homes



How Home Energy Score Can Help With Financing

Finance up to 15% of "as completed" home value for energy improvements

- ✓ Obtain through Fannie Mae's HomeStyle Energy Mortgage Loan

Qualify for 2% stretch on debt-to-income ratio

- ✓ Allowed by Fannie Mae through HomeStyle Energy Mortgage Loan product and by FHA's policies
- ✓ Applies for homes that score a 6 or higher, or will score a 6 or higher after improvements

Explore state & local financing options as well

- ✓ Check out www.dsireusa.org to see what might be available in your area

When to Get a Home Energy Score

1. When buying to get as much information as possible

- ✓ Many home inspectors can offer the Score as part of the home inspection

2. After moving in to inform energy improvements

- ✓ Get cost-effective investments that improve the Score, increase comfort, and lower bills

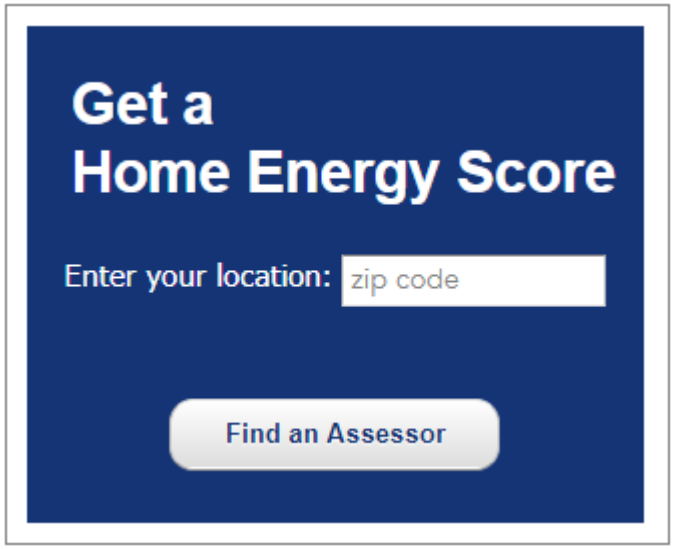
3. When listing to showcase energy improvements

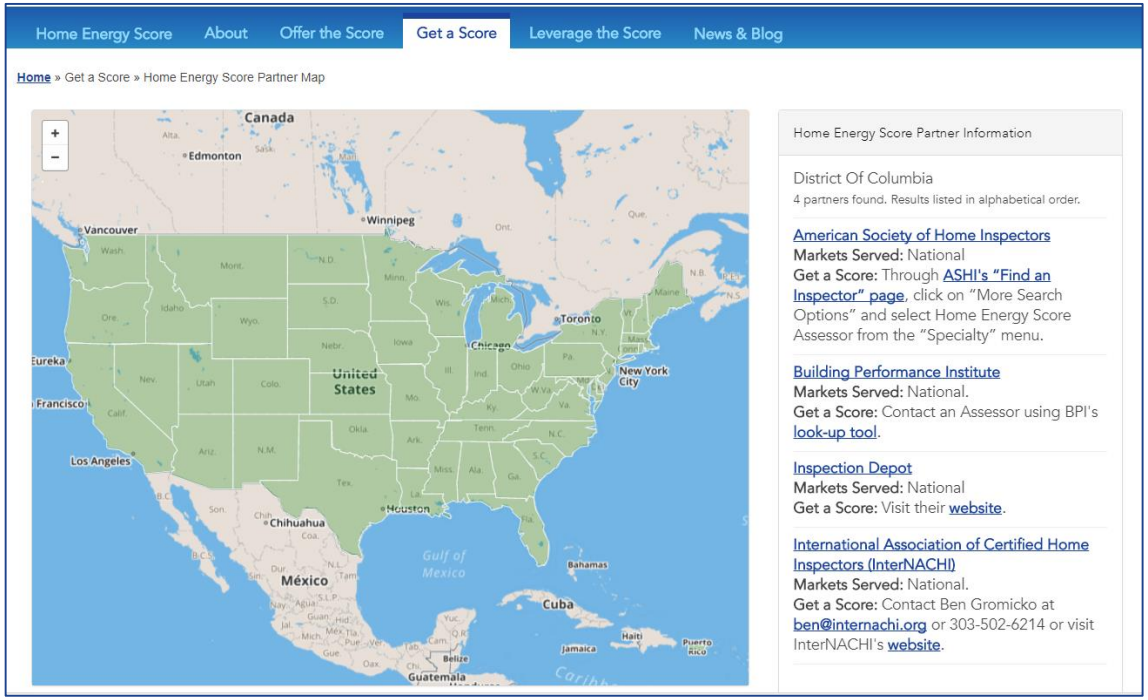
- ✓ Show the Score in the MLS listing to attract buyers
- ✓ Use MLS Green Fields to make the listing searchable by Score

How to Get a Home Energy Score

Visit www.homeenergyscore.gov/findanassessor to find a professional Home Energy Score Assessor near you!

- ✓ Can't find one near you? See our Partner Map to find which Partners could onboard a new Home Energy Score Assessor in your area. Visit www.homeenergyscore.gov for more resources and information.






U.S. DEPARTMENT OF ENERGY
Home Energy Score
Know your home. Know your Score.